



River District Phase One Infrastructure Reimbursement

Economic Development Committee
August 17, 2017



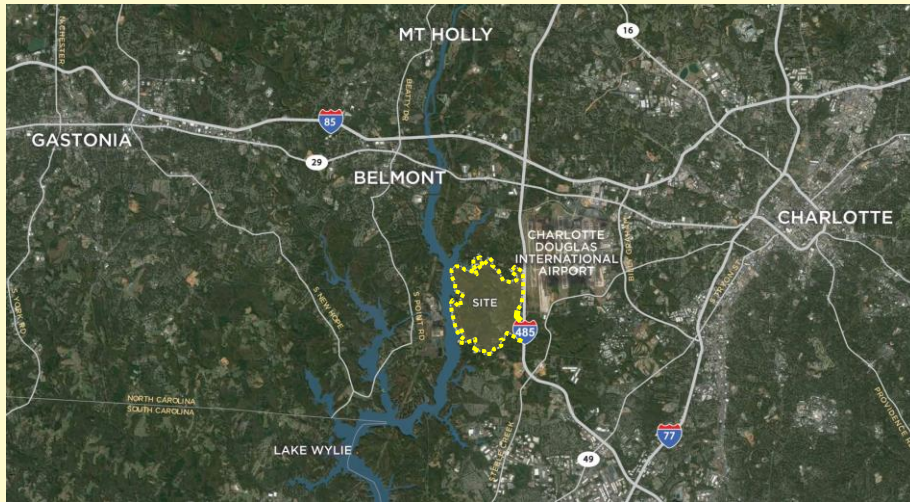
Presentation Agenda

- Purpose
- Entitlement Summary
- Community Objectives
- Proposed Phase One Infrastructure Improvements
- Community Investment Plan (CIP)
- Tax Increment Grant (TIG) Program and Key Terms
- Next Steps

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River District



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River District Entitlement Summary

Entitlements

	Phase 1 (2021-2026)*	Phase 2 (2025-2039)	Phase 3 (2040-2054)	Total
Office	1,000,000 SF	3,000,000 SF	4,000,000 SF	8,000,000 SF
Retail	75,000 SF	125,000 SF	300,000 SF	500,000 SF
Residential	815 units	1,155 units	2,315 units	4,285 units
Affordable	85 units	95 units	185 units	365 units
Hotel	150 rooms	250 rms	500 rms	900 rms
Assisted Living	0 du	0 du	200 du	200 du

*Estimated new tax base of \$422 million from Phase One development

Site Breakdown

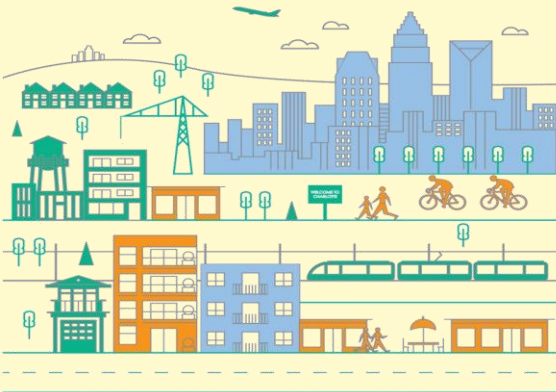
	Total	Crescent	Lincoln Harris
Land area (ac)	1,377	1,051	326
Open space (ac)	550	452	98
Net developable (ac)	827	599	228

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River District Community Objectives

Infrastructure	People	Community
<ul style="list-style-type: none"> • CIP / TIG Benefits <ul style="list-style-type: none"> – Transportation Choices – Livable Communities – Job Growth 	<ul style="list-style-type: none"> • Community Letter <ul style="list-style-type: none"> – Good Paying Jobs – Quality Affordable Housing 	<ul style="list-style-type: none"> • Council Focus Area • Traits of Winning Cities <ul style="list-style-type: none"> – Create Positive Buzz – Millennial Magnet – Workforce Dynamics – 15-Minute Livable Communities – Big Tent – Open Mind – Affordable Spaces – Beyond Borders

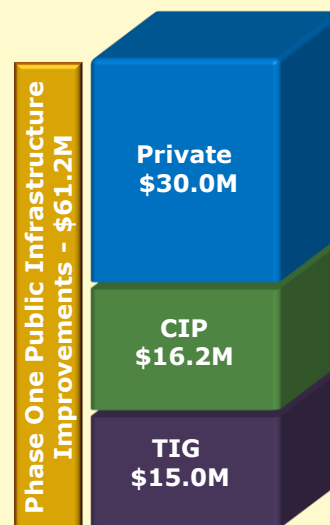


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River District Project Components

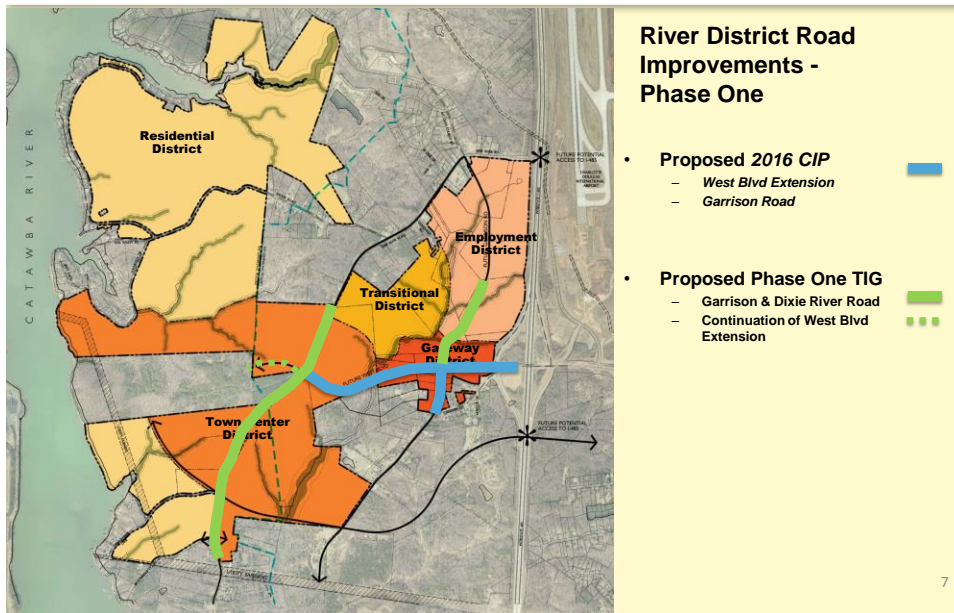
- Private Developer
 - \$30.0 million
 - Local Road Network
 - I-485 Interchange
 - ROW dedication
- Community Investment Plan
 - Up to \$16.2 million
 - West Boulevard Extension
- Tax Increment Grant (Phase I)
 - Up to \$15 million of public infrastructure improvements
 - Dixie River Road
 - Garrison Road
 - Potential West Boulevard Extension
- Total Infrastructure Investment – Phase One
 - \$61.2 million



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River District Phase One Infrastructure Improvements



River District Community Investment Plan

- The CIP is a long-range investment program needed to meet the demands of our growing community
- City Council's policies for developing and implementing the CIP includes:
 - Forming partnerships with citizens and businesses to leverage public dollars
 - Serving as a platform for economic development through the funding of priority projects in targeted investment areas
- \$16.2 million in bonds approved in 2016 for Dixie-Berryhill area roads
 - Part of \$44.7 million in total bond package (remaining \$28.5 million in 2018 bond issue)
- Project goals include:
 - Facilitate economic development and land use recommendations from the Dixie-Berryhill Strategic Plan
 - Create infrastructure to support future development and leverage existing investment
 - Catalyze and partner with private development willing to voluntarily annex

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River District Community Investment Plan Key Terms

- The City will reimburse up to \$16.2 million for the completion of the West Boulevard Extension project
- Public road improvements shall be constructed by the developers in accordance with CDOT standards
- Voluntary annexation by developers required prior to reimbursement
- All applicable rights of way and easements shall be dedicated for future City maintenance
- Developers responsible for cost overruns beyond combined CIP and TIG total of \$31.2M

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River District Tax Increment Grant Program

- Grants are made on a reimbursement basis only
- Applicable Financing Categories:
 - Infrastructure investment
 - Public asset purchase
 - Gap financing
- Grant Terms:
 - 45% or 90% of incremental new property taxes up to 10 years depending on project need and priority
- Capacity:
 - Aggregate of all projects is limited to 3.0% of the annual property tax levy of any given year.



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River District Tax Increment Grant Key Terms

- The City will reimburse up to \$15 million for the completion of Garrison and Dixie River Roads
 - Plus interest at City's cost of funds
 - Remaining funds could be used for cost overruns of the West Blvd Extension project and/or the continuation of West Blvd beyond Dixie River Road
 - Public road improvements shall be constructed by the developers in accordance with CDOT standards
 - Developers responsible for cost overruns
- 45% of City incremental property taxes
- 10 year term (or full reimbursement, whichever comes first) from trigger date
 - Trigger date selected by developers within six years of completing specific milestone

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River District Tax Increment Grant Key Terms

- Land preservation for CMPD, CFD, and CATS facilities
- Equitable Economic Development
 - Workforce development commitment
 - Create a workforce development plan to increase access to economic mobility and advancement
 - MWSBE utilization commitments
 - At least 10% utilization for public infrastructure improvements
 - Create an MWSBE Action Plan to establish goals for all public and private infrastructure improvements
 - Engage General Contractors and provide technical assistance to strengthen MWSBE utilization and effectively communicate opportunities to the public and the contracting community

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River District Next Steps

- August: Potential Economic Development Committee action:
 - A. Approve an Infrastructure Reimbursement Agreement in an amount not to exceed \$16,200,000 for public infrastructure improvements, consistent with the negotiated terms, which will be reimbursed through the approved 2016 CIP bond funds
 - B. Approve an Infrastructure Reimbursement Agreement in an amount not to exceed \$15,000,000 for public infrastructure improvements, consistent with the negotiated terms, which will be reimbursed through 45% of incremental City property taxes from a designated area over 10 years, or until fully reimbursed, whichever occurs first
 - C. Authorize the City Manager to negotiate and execute the agreements consistent with the negotiated terms
- September 11: Dinner Briefing
- September 25: Potential City Council decision on Phase One infrastructure reimbursement agreements – TIG and CIP

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